

Analysis of Draft Amendments to the
CIA Retirement Plan

Section 202

Amends the CIA Plan by modifying the definition of the term "child" to correspond with the change made in the CSRS. As the term is redefined-

1. the entitlement to annuity of a child-survivor is extended from age 21 to age 22;
2. the period of permissible maximum absence from school without loss of entitlement to annuity is increased from four to five months;
3. the requirement that a child, to be entitled to annuity, must have been dependent on the deceased employee-parent is eliminated; and
4. permits a natural (illegitimate) child to receive a lump-sum benefit.

Section 203

Amends the CIA Plan to conform to the FSRS with respect to the termination of a widow's annuity upon remarriage. Under FSRS a surviving widow may remarry at any age without losing her survivor-annuity entitlement; under the CSRS annuity terminates upon remarriage unless the widow is over age 60.

Section 204

Amends the CIA Plan to parallel the CSRS with respect to annuities payable to surviving children. This amendment allows a surviving child who becomes or again becomes a student after he reaches 18 but before he reaches age 22, to be paid survivor annuity or to have annuity, which may have been terminated, resumed.

Section 205

Amends the CIA Plan to establish a "day after" concept for the commencement of retirement annuities in place of the "first-of-the-month-after" concept now in effect. The "day after" concept has been in the CSRS since 1960.

Section 206

Provides for the automatic transfer of retirement contributions (both employee's and Government's) when an employee transfers from coverage under another staff retirement system for Government personnel to the CIA Plan. The reverse is also provided: contributions for an employee transferring from the CIA Plan to another staff system also may be transferred at his request.

Section 207

Modifies the reemployment-of-annuitant provisions of the CIA Plan to conform to the FSRS. The CIA Plan (as does CSRS) presently requires that the salary of a CIA retiree reemployed in Government be reduced by an amount equal to the CIA annuity allocable to the period of actual employment. The amendment permits the CIA retiree to receive his full salary upon reemployment in the Government, plus so much, if any, of his CIA annuity which, when added to reemployment salary, does not exceed the amount of his CIA salary at time of retirement.

Section 208

Brings the CIA Plan cost-of-living annuity adjustment formula into line with that of the CSRS. Currently the CIA Plan formula is geared to an average annual price index; with the change, a rise of at least three percent maintained over a three-month period would trigger an annuity increase.